

House File 2133 - Introduced

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BY WINDSCHITL

A BILL FOR

1 An Act relating to the definition and regulation of outpatient
2 surgical facilities or ambulatory surgical centers and
3 providing for fees.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 135.61, subsection 21, Code 2009, is
2 amended to read as follows:

3 21. *"Outpatient surgical facility"* means a all of the
4 following:

5 a. A facility which as its primary function provides,
6 through an organized medical staff and on an outpatient basis
7 to patients who are generally ambulatory, surgical procedures
8 not ordinarily performed in a private physician's office, but
9 not requiring twenty-four hour hospitalization, and which is
10 neither not a part of a hospital nor is owned wholly or in part
11 by a hospital, nor is it the private office of a health care
12 provider who there engages in the lawful practice of surgery.

13 ~~*"Outpatient surgical facility"* includes a~~

14 b. A facility certified or seeking certification as an
15 ambulatory surgical center, under the federal Medicare program
16 or under the medical assistance program established pursuant to
17 chapter 249A.

18 c. A facility that provides for the performing or inducing
19 of any second or third trimester abortions or five or more
20 first trimester abortions per month.

21 Sec. 2. NEW SECTION. 135P.1 Definitions.

22 As used in this chapter, unless the context otherwise
23 requires:

24 1. *"Ambulatory surgical center"* means an outpatient surgical
25 facility as defined in section 135.61 or an ambulatory surgical
26 facility as defined in section 514.5.

27 2. *"Department"* means the department of inspections and
28 appeals.

29 Sec. 3. NEW SECTION. 135P.2 Licenses — fees — criteria.

30 1. A person shall not operate an ambulatory surgical center
31 in this state without first obtaining a license from the
32 department after meeting the requirements of this chapter. The
33 application shall be on a form prescribed by the department and
34 shall require information the department deems necessary. Each
35 application for license shall be accompanied by a nonrefundable

1 biennial license fee determined by the department.

2 2. The ambulatory surgical center shall meet the
3 requirements of 42 C.F.R. § 416 before a license is issued.
4 The department of inspections and appeals shall provide the
5 necessary personnel to inspect the ambulatory surgical center
6 to determine if the ambulatory surgical center complies with
7 necessary requirements before a license is issued. Ambulatory
8 surgical centers that are certified under the federal Medicare
9 program and thereby meet the requirements of 42 C.F.R. § 416
10 shall be licensed without inspection by the department of
11 inspections and appeals.

12 Sec. 4. NEW SECTION. 135P.3 Denial, suspension, or
13 revocation of license.

14 The department may deny, suspend, or revoke a license if
15 the department determines an ambulatory surgical center fails
16 to comply with this chapter or the rules adopted under this
17 chapter. A denial, suspension, or revocation may be appealed
18 under chapter 17A. The department may reissue a license
19 following a suspension or revocation after the ambulatory
20 surgical center corrects the conditions upon which the
21 suspension or revocation was based.

22 Sec. 5. NEW SECTION. 135P.4 Limitation, expiration, and
23 renewal of license.

24 A license for an ambulatory surgical center shall be issued
25 only for the premises, person, or facility named in the
26 application and is not transferable or assignable. A license,
27 unless sooner suspended or revoked, shall expire two years
28 after the date of issuance and shall be renewed biennially
29 upon an application by the licensee. Application for renewal
30 shall be made in writing to the department at least thirty days
31 prior to the expiration of the license. The fee for a license
32 renewal shall be determined by the department.

33 Sec. 6. NEW SECTION. 135P.5 Rules.

34 Except as otherwise provided in this chapter, the department
35 shall adopt rules pursuant to chapter 17A necessary to

1 implement this chapter, subject to approval of the state board
2 of health. Formulation of the rules shall include consultation
3 with persons affected by this chapter.

4 Sec. 7. Section 514.5, Code 2009, is amended to read as
5 follows:

6 **514.5 Contracts for service.**

7 1. A hospital service corporation organized under
8 chapter 504, Code 1989, or current chapter 504 may enter
9 into contracts for the rendering of hospital service to any
10 of its subscribers with hospitals maintained and operated by
11 the state or any of its political subdivisions, or by any
12 corporation, association, or individual. Such hospital service
13 corporation may also contract with an ambulatory surgical
14 facility to provide surgical services to the corporation's
15 subscribers. Hospital service is meant to include bed and
16 board, general nursing care, use of the operating room, use of
17 the delivery room, ordinary medications and dressings and other
18 customary routine care. *"Ambulatory surgical facility"* means
19 a facility constructed and operated for the specific purpose
20 of providing surgery to patients admitted to and discharged
21 from the facility within the same day or an "outpatient surgical
22 facility" as defined in section 135.61.

23 2. A medical service corporation organized under this
24 chapter may enter into contracts with subscribers to furnish
25 health care service through physicians and surgeons, dentists,
26 podiatric physicians, osteopathic physicians, osteopathic
27 physicians and surgeons, or chiropractors.

28 3. Any pharmaceutical or optometric service corporation
29 organized under the provisions of said chapter may enter
30 into contracts for the rendering of pharmaceutical or
31 optometric service to any of its subscribers. Membership in
32 any pharmaceutical service corporation shall be open to all
33 pharmacies licensed under chapter 155A.

34 4. A hospital service corporation or medical service
35 corporation organized under this chapter may enter into

1 contracts with subscribers and providers to furnish health care
2 services not otherwise allocated by this section.

3

EXPLANATION

4 This bill defines an outpatient surgical facility or
5 ambulatory surgical center to include any facility that
6 provides for performing or inducing any second or third
7 trimester abortions or five or more first trimester abortions
8 per month, thereby making these establishments subject
9 to certificate of need requirements and other regulatory
10 provisions to which outpatient surgical facilities or
11 ambulatory surgical centers are subject. The bill also amends
12 the definition of an outpatient surgical facility to exclude
13 facilities that are owned wholly or in part by a hospital.

14 The bill also requires that ambulatory surgical centers be
15 licensed and meet the requirements of the centers for Medicare
16 and Medicaid services of the United States department of health
17 and human services for ambulatory surgical centers.